

## PART VII

## FARM MARKETING AND EXPENDITURES

Location and Transportation for Marketing

Most Skagit County farms are favorably located to market products within the most densely populated area in the Pacific Northwest--the Puget Sound metropolitan area. With Mount Vernon as the pivot point, a 75 mile radius encompasses a marketing area which includes greater Seattle, Everett and Bellingham.

In earlier years, most of Skagit County was isolated by the lack of good roads. Water transport was used on the Skagit River and Puget Sound to market animal products and crops. Marketing agricultural products by barge or ship became negligible with the advent of the railroads and a highway system.

Transport facilities for moving farm products are good in Skagit County except in the eastern section where the Cascade Mountains have prevented the building of an easy cross-state route. A network of primary and secondary highways and county roads permits year around movement of farm goods in the agriculture areas of western Skagit County. U. S. Highway 99, the primary route through the area, connects Skagit County points with cities to the north and south. State Highways 536 and 20 tie Anacortes on Fidalgo Island with Highway 99. State Highway 20 extends into the eastern part of the county paralleling the Skagit River and at present ends abruptly at Diablo Lake in eastern Whatcom County. A highway over Rainy and Washington Passes is under construction which will extend Highway 20 into eastern Washington. Most county roads which traverse the Samish-Skagit Lowlands are gravel and asphalt surfaced. In eastern Skagit County, the U. S. Forest Service maintains a fair network of roads in addition to those provided by the county.

Two transcontinental railroad companies, Northern Pacific and Great Northern, serve Skagit County with branch lines which were originally established to move logs, lumber and other forest products. The Northern Pacific Railroad crosses western Skagit County and has sidings and switching yards in Sedro Woolley. A line is operated jointly with Great Northern up the Skagit River to the vicinity of Concrete. The Great Northern Railroad operates a mainline between Seattle and Vancouver, British Columbia, which passes through Mount Vernon and Burlington. The latter city also is a point where spurs of the Great Northern mainline extend westward to Anacortes and eastward to Sedro Woolley. In the Mount Vernon-Burlington district spurs and sidings serve a number of processing plants.

Income: Value of Products Sold

Census of Agriculture data on the value of farm products sold show that the trend of gross farm income in Skagit County has been upward in recent years. All Skagit County farms marketed \$15,890,942 worth of agricultural products in 1959 compared with \$12,023,393 in 1954 and \$10,566,287 in 1949. Skagit County ranked thirteenth among Washington counties in value of all farm products sold in 1959.

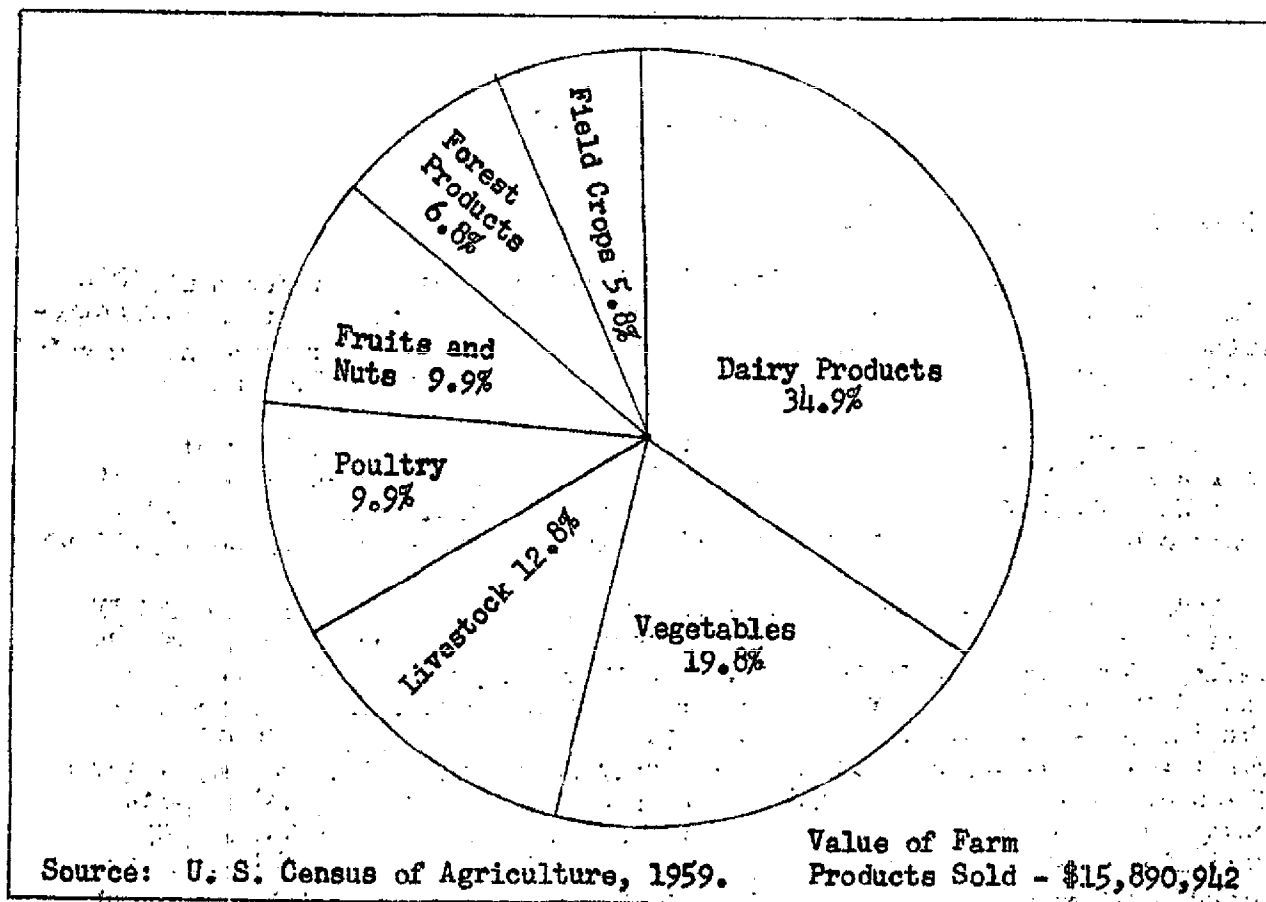


Figure 13. Sources of Cash Farm Income, Skagit County, 1959

Table 33. Livestock and Livestock Products Marketed  
Skagit County, 1959

Class of Livestock and Products Sold	Amount Received By Farmers (dollars)	Percent of the Total Value
Livestock Sold Alive (cattle and calves, horses and mules, hogs, sheep)	\$2,034,366	22.2
Dairy Products (whole milk, butterfat)	5,550,915	60.5
Poultry and Poultry Products (chickens, eggs, turkeys, ducks, etc.)	1,575,773	17.2
Other Livestock Products	6,930	.1
Total amount received for Livestock and Livestock Products	\$9,167,984	100.0

Source: U. S. Census of Agriculture, 1959.

The total farm sales value of livestock and livestock products for 1959 in Skagit County amounted to \$9,167,984 or 33.6 percent greater than the \$6,862,863 reported in the 1954 Census. The 1959 total represents 57.8 percent of the value of all farm products sold in the county during that year which was comparable to the figure of 57.1 percent five years earlier in 1954.

All crops (i.e., field crops, vegetables, fruits, nuts, forest products and horticultural specialty products) sold off Skagit County farms in 1959 were valued at \$6,722,958. This total was 30.3 percent above the corresponding figure for 1954 and represented 42.3 percent of the total value of all agricultural products sold in 1959.

Table 34. Crops Marketed From Skagit County Farms, 1959

Crops Marketed	Amount Received By Farmers (Dollars)	Percent All Crops Sold
Fruits (tree fruits, grapes berries and nuts)	1,576,577	23.4
Field Crops (small grains, hay, field corn and potatoes)	925,529	13.8
Vegetables (green peas, sweet corn, broccoli, cucumber, cauliflower, carrots, cabbage, tomatoes, snap beans)	3,147,325	46.8
Forest Products and Horticultural Specialties	<u>1,073,527</u>	<u>16.0</u>
Total amount received by farmers for cash crops	\$6,722,958	100.0

Source: U. S. Census of Agriculture.

Sales of farm products and farm incomes vary considerably by type and size of farm. In 1959, about 52.6 percent of the farms in Skagit County were considered commercial operations by the Census of Agriculture. In the same year, an additional 3.3 percent of the farms in the county were classified as commercial units under the Class VI Census definition (see footnote 2 in Table 36). An estimated 782 farms were tabulated as noncommercial units consisting of part-time or part-retirement operations and Indian reservations. In 1959, the largest percentage (34.1 percent) of Skagit County farms were Class VII, defined as noncommercial, part-time operations. The commercial Class IV category, with agricultural sales per unit ranging between \$5,000 to \$9,999, ranked second in percentage (16.3 percent) of total county farms for the same year.

Table 35. Farms by Economic Class  
Skagit County, 1959

Economic Class	Value of Farm Products Sold	Number of Farms <sup>1/</sup>	Percent of Total Estimated Farms in the County
Class I	\$40,000 and over	103	5.8
Class II	\$20,000 to \$39,999	150	8.4
Class III	\$10,000 to \$19,999	195	11.0
Class IV	\$ 5,000 to \$ 9,999	290	16.3
Class V	\$ 2,500 to \$ 4,999	195	11.0
Class VI <sup>2/</sup>	\$ 50 to \$ 2,499	60	3.4
Total Commercial Farms		993	55.9
Class VII (Part-time)	\$ 50 to \$ 2,499	606	34.1
Class VIII (Part-Retirement)	\$ 50 to \$ 2,499	175	9.9
Class IX (Abnormal) <sup>3/</sup>	any amount	1	.1
Total non-commercial Farms		782	44.1

- <sup>1/</sup> The totals for farms by economic class are estimates for all farms made on the basis of data reported only for the sample farms.
- <sup>2/</sup> Farms with a value of sales of \$50 to \$2,499 were classified as commercial if the farm operator was under 65 years of age and (1) he did not work off the farm 100 or more days during the year and (2) the income received by the operator and members of his family from nonfarm sources was less than the value of all farm products sold.
- <sup>3/</sup> Includes all institutional farms and Indian reservations.

Source: U. S. Census of Agriculture, 1959.

#### Marketing Dairy Products

The sale of dairy products is the major farm marketing activity in Skagit County. Sales of dairy products off Skagit County farms amounted to \$5,550,915 in 1959 or 24 percent above the 1954 figure of \$4,477,761. The 1959 figure represented 35 percent of the total value of all farm products sold in the county during the year. Also in 1959, Skagit County ranked fourth among Washington counties in the value of dairy products sold.

Dairy products sold in 1959 included 126,125,771 pounds of whole milk from 703 farms and 1,125 pounds of butterfat off 5 farms. Whole milk is hauled by tank trucks to dairy plants located in Burlington and Mount Vernon where most of it is processed into evaporated milk.

#### Marketing Commercial Vegetables

Many Skagit County farmers derive part or all of their income from sales of vegetables. Vegetable growers in general receive relatively high returns per acre for their crops. The county's annual production of vegetables is

primarily for processing with only small quantities for fresh market consumption. Most of the vegetables grown are contracted by processors for freezing either on an acreage or tonnage basis. In 1959, the value of vegetables sold off Skagit County farms amounted to \$3,147,325, making up 19.8 percent of the value of all farm products sold and accounted for 46.8 percent of all crops marketed. The 1959 figure was almost twice the value of vegetables sold from the county's farms in 1954.

Most of Skagit County's green peas, sweet corn, cauliflower, broccoli and carrots are shipped to local processors in Mount Vernon and Burlington. Minor amounts are marketed for fresh market consumption through produce buyers. Cucumbers grown in the county are shipped to Tacoma for the production of pickles. Other vegetables raised in the county, including cabbages and tomatoes, go mainly to fresh market buyers for distribution and to other parts of the Puget Sound area.

#### Marketing Livestock: Cattle, Sheep, Hogs and Horses

Skagit County's third major agricultural marketing item, after dairy products and vegetable crops, has been the sale of livestock and their products involving auction yards, meat packers, feed yards, breeders and shippers. In 1959, the value of livestock sold alive (including horses) in Skagit County amounted to \$2,034,366 which represents 12.8 percent of the total value of all farm products sold during the year.

Cattle and calves are the major animals sold within the livestock marketing activities of Skagit County. In 1959, a total of 1,243 farms reported selling 16,198 head of cattle and calves worth \$1,961,705 or about 96.4 percent of the county's total livestock sales during the year. Calves made up about 42 percent of the number sold. Cattle are sold directly to local packers or those located in Seattle. They are also sold to feeders or at auction yards. Many of the county's dairy beef cattle are shipped to Snohomish County where one of the Pacific Northwest's largest dairy beef auctions is located. Some feeder calves are hauled to eastern Washington, particularly the Columbia Basin area.

Sales of sheep, lambs, hogs and horses are relatively minor in Skagit County's agricultural economy. In 1959, 56 farms marketed 1,527 sheep and lambs valued at \$19,851. In addition, 90 farms reported 16,902 pounds of wool shorn from 2,048 sheep. In the same year \$20,460 worth of hogs numbering 620 head were sold off 36 Skagit County farms. Sheep and lambs are sold directly to local packers or at auction yards. Feeder pigs are usually marketed at auction sales while fat hogs are shipped to Seattle slaughter houses.

#### Marketing Fruit, Nuts, Grapes and Berries

Skagit County's important berry crop is mainly sold locally to processors in Burlington and Mount Vernon. Most of the strawberries go to processors for freezing. Some of the berries are then sold for the commercial manufacture of preserves, jams and toppings. The bulk are sold as frozen berries for the consumer trade and to restaurants, bakeries and ice cream plants.

Nearly all of the red raspberries and blackberries produced are also sold to local processors for freezing. Fresh market sales of raspberries

are concentrated in the nearby urban areas since this berry cannot tolerate long distance shipping.

Most of Skagit County's tree fruit and grape production are in small plantings and production is largely for home consumption. Of the tree crops, filberts are the only one still grown on a commercial scale in the county. Most of the filbert nuts harvested from the area find market outlets through Portland, Oregon. In 1959, 79,369 pounds of nuts were harvested for sale from Skagit County's filbert trees.

In 1959, fruits, nuts, grapes and berries sold by Skagit County farmers were valued at \$1,576,577. This amounted to 23.4 percent of the total value of crops sold and 9.9 percent of all farm products marketed in the county for that year.

#### Marketing Poultry and Eggs

The poultry industry in Skagit County provides, for many farmers, all or a substantial part of their income each year. Skagit County farmers marketed over \$1,500,000 worth of poultry products in 1959, or nearly 40 percent above the corresponding figure for 1954. Sales of poultry products in 1959 represented 17.2 percent of the total value for all livestock and their products sold and almost 10 percent of the value of all farm products sold in the county. The number of farms active in poultry and poultry products has been declining but production has continued to increase in terms of both sales of birds and eggs. Over 250 poultry producers in the area sold chickens, eggs and turkeys during 1959.

The marketing of fresh eggs is the major activity within the poultry industry of Skagit County. In 1959, about 3,623,908 dozen eggs were sold, or nearly 60 percent above the 2,269,492 dozen reported for 1954. Most of the eggs are marketed through the Western Farmers Association processing plant at Mount Vernon. The cooperative operates a fleet of trucks for picking up crated eggs and delivering feed and other poultry supplies to the farms. Over 200 Skagit County farms reported selling chicken eggs in 1959.

The marketing of live chickens and broilers represented the second most important poultry activity in 1959. Chickens sold in 1959 totaled 571,349, or about 39.2 percent greater than the 410,318 reported for 1954. Broilers comprised 64 percent of the number of all chickens sold in 1959 compared with 79.1 percent in 1954. Private and cooperative processing plants equipped to handle large numbers of birds constitute the major sales outlet for broiler growers.

Income derived from the sale of turkeys, ducks, geese, other miscellaneous poultry and their products is insignificant among the farmers of Skagit County. Annual sales of these items dropped drastically between 1954 and 1959 from \$27,956 down to a mere \$162.

#### Marketing Farm Forest Products and Horticultural Specialties

Numerous farms in the foothills and upper valleys of Skagit County have woodlots of young Douglas fir, hemlock, cedar, maple and alder. These are generally second-growth stands which have reached commercial size since the

area was first logged some 50 to 70 years ago. Location close to pulp and paper and other mills utilizing wood in small dimensions has created a good cash market for the farm forest products. Woodlot owners haul pulpwood, small logs, bolts and poles to Puget Sound milling centers at Everett, Anacortes, Bellingham and to smaller inland mills in the Skagit Valley. Farmers owning large acreages of woodlands generally sell timber stumpage to small logging operators. Others log their own timber.

The Census of Agriculture enumerated sales of forest products from 123 Skagit County farms which amounted to \$209,669 in 1959. Standing timber valued at \$90,383 was sold off 64 farms while 83 farm units marketed firewood, pulpwood, fence posts, sawlogs, Christmas trees and other miscellaneous products totaling \$119,286 during the year.

Total value of sales for all horticultural specialties in Skagit County for 1959 was \$863,358 as reported by 102 farms. Nursery products (trees, shrubs, vines, ornamentals, etc.) sold from 16 farms amounted to \$144,422 while 23 farms reported sales of cut flowers, potted plants, florist greens and bedding plants which grossed \$173,762. By far the most important horticultural specialty crops marketed during 1959 were vegetables grown under glass, flower seeds, vegetable seeds, vegetable plants, bulbs and mushrooms. These crops sold off 77 farms had a sales value of about \$545,674.

The single specialty crop for which Skagit County is particularly noted is its yearly production of vegetable seeds. Vegetable seed crops are usually grown under a contract basis between the farmer and a seed company. The seed company maintains close supervision of the crop throughout the season under this type of arrangement.

#### Marketing Field Crops: Hay Crops, Small Grains, Potatoes and Field Corn

In 1959, Skagit County farms sold field crops amounting to \$925,529 or 13.8 percent of the value of all crops sold off the farms. Field crop sales accounted for 5.8 percent of the total value of all farm products sold in the county.

More acreage is devoted to hay than any other field crop grown in Skagit County. The county's production of clover-timothy and alfalfa hay is consumed locally on dairy and livestock farms as late fall, winter and early spring feed. Silage cut from clover, alfalfa and grass mixtures grown in the county is used almost exclusively for feeding dairy cattle, especially during the winter months. The county's small production of field corn is also used for silage.

Most small grains harvested in the county are used by the local dairy, livestock and poultry industry as feed. These include oats, wheat, barley and rye. Oats are grown mainly as a high value feed for livestock, being fed directly or mixed with other forms of feed. Skagit County's wheat production is also used as feed especially on the small farms but some of the wheat from the larger acreages is marketed as grain.

In 1962 about 7,880 tons of potatoes were harvested for sale on 630 acres in Skagit County. A large portion of the county's potato crop is sold as seed potatoes to seed dealers as well as directly to farmers particularly from

eastern Washington. Skagit County potatoes are also marketed to local produce houses and to retail outlets throughout the Puget Sound area or put into storage.

### Specified Farm Expenditures

Specified farm expenditures estimated on a basis of reports obtained from sample farms in Skagit County by the Census of Agriculture amounted to \$8,034,655 in 1959 which represented a little over 50 percent of the value of all farm products sold during the year. The largest expenditure for the year was for feed for livestock and poultry which added up to \$2,777,651, exemplifying the importance of livestock farming in the county. Feed expense also includes the cost of grinding and mixing of the feed. Purchases of livestock feed were reported by 1,446 farms in the 1959 Census. Expense for hired labor was the second major item amounting to \$2,474,605. Some 929 farms used hired help during 1959. Purchase of livestock and poultry ranked third as a major cost to Skagit County farmers in 1959. About \$1,053,240 worth of livestock and poultry were purchased by 764 farms during 1959. Outlay for machine hire totaled \$638,610 on 1,038 Skagit County farms. Machine hire expenditures relate to custom machine work, such as tractor hire, threshing, grain or seed combining, silo filling, baling, corn picking, plowing, vegetable harvesting, fruit picking, spraying and dusting. The amount spent for the labor included in machine hire was considered part of total expenditure. Gasoline and other petroleum fuel and oil related only to the products used in the farm business cost 1,675 county farmers an estimated \$610,983 in the 1959 period. The sixth major cost which amounted to \$479,566 represents the total amount spent during the year for seeds, bulbs, plants and trees which were used on 634 farms.

Table 36. Specified Farm Expenditures in 1959 <sup>1/</sup>  
Skagit County

Type of Expenditure	Number of Farms Reporting	Expenditure of All Farms	Average Per Farm
Feed for Livestock and Poultry	1,446	\$2,777,651	\$1,920.92
Purchase of Livestock and Poultry	764	1,053,240	1,378.58
Machine hire	1,038	638,610	615.23
Hired labor	929	2,474,605	2,663.72
Gasoline, petroleum fuel and oil	1,675	610,983	364.76
Seeds, bulbs, plants and trees	634	479,566	756.41
Total expended		\$8,034,655	

<sup>1/</sup> Data for farm expenditures are estimates based on reports obtained from the sample farms.

Source: U. S. Census of Agriculture.

Farm expenditures have been increasing over the years along with the upward trend in agricultural production of Skagit County. Farm expenditures are an important factor in employment and local business for the towns and communities throughout the agricultural areas of the county.

### Fertilizer and Lime

About 45 percent of the farms in Skagit County used commercial fertilizer in 1959. Over 6,000 tons of dry fertilizer were used by 468 farms while 81



farms applied 895 tons of the liquid type during the year.

More fertilizer was used on hay and cropland pasture than any other crop in the county during the 1959 season. Hay and cropland pasture accounted for 30.5 percent of all fertilizer used and for 31.1 percent of the acreage fertilized in the county. Barley ranked second with 1,320 acres fertilized. Wheat and other pastures followed, in that order.

Table 37. Use of Commercial Fertilizer  
On Crops and Pasture, for Skagit County, 1959

Crops and Pasture Fertilized	Farms Reporting Use of Fertilizer	Acres Fertilized		Tons Used	
		Total (Acres)	Percent of Acreage Fertilized	Total (Tons)	Pounds Per Acre
Total Commercial Fertilizer Used	789	46,835	100.0	9,552	400
Hay and Cropland Pasture	399	14,570	31.1	2,128	300
Other Pasture	70	635	1.3	140	440
wheat	67	1,009	2.2	101	200
Barley	38	1,320	2.8	217	320
All Other Crops	493	29,301	62.6	6,966	480

Source: U. S. Census of Agriculture, 1959.

Skagit County contains some of most fertile soils of the state but even the best soils of the area are deficient in lime. This accounts for the fact that Skagit County farmers have annually used more lime and liming materials than any other county in the state. In 1959, 139 farms reported using over 9,670 tons of lime or liming material on 4,915 acres.